DEPARTMENT OF TECHNOLOGY SERVICES
BUDGET SUMMARY

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

INTRODUCTION

In this issue brief I summarize recommendations included in the Governor's budget or in other budget documents for the Department of Technology Services (DTS) regarding budget adjustments, intent language, fees, and new funding; and discuss options from the Office of the Legislative Fiscal Analyst (LFA). The following adjustments are included in H.B. 6, "Infrastructure and General Government Base Budget," and are not included in this brief:

1. Federal fund, dedicated credit, restricted fund, and account amounts that are the lesser of current year ongoing appropriations or amounts in the Governor's budget recommendations; and
2. Adjustments to nonlapsing balances, transfers, and other dependent amounts as calculated.

RESTORATION OF 2020 FIFTH SPECIAL SESSION REDUCTIONS

In the 2020 Fifth Special Session the Legislature reduced appropriations from the General Fund by $101,900 in areas that affected DTS's operations. The department requests that the Legislature restore a total of $70,000 to the Chief Information Officer and Integrated Technology line items for the following purposes: rate benchmarking study, website development - service portal, employee training, employee supplies, and membership dues.

RECOMMENDED BUDGET ADJUSTMENTS

In the table below I summarize the FY 2021 one-time and FY 2022 ongoing adjustments for dedicated credits and federal funds that the department requests that are not included in H.B. 6.

Line Item	Program	Financing Source	FY 2021	FY 2022	Reason
Integrated Technology	Automated Geographic Reference Center	Federal Funds	$12,800		↑ projected revenues
ISF - Technology Services	ISF - DTS Enterprise Technology	Dedicated Credits	$1,484,000	$98,100	↑ projected revenues

SUMMARY OF INTENT LANGUAGE

Nonlapsing authorization. The table below summarizes DTS's requests to carry FY 2021 balances into FY 2022 that are included in H.B. 6.

Line Item (H.B. 6 Item #)	Nonlapsing Request	Purpose
Chief information Officer (#17)	$250,000	Rate study; IT initiatives; implement provisions of bills
Integrated Technology (#18)	$600,000	Projects, imagery, GPS reference network, survey monument restoration

Performance measures. The table below summarizes DTS's performance measures intent language as shown H.B. 6.

Line Item (H.B. 6 Item #)	Target
Chief Information Officer (#66)	
Data security systematic prioritization of high-risk areas	Score below 5,000
Customer satisfaction for application development projects	>= 83% satisfaction
State employees receive computers in a timely manner	>= 75%
Automated Geographic Reference Center (AGRC) (#67)	
AGRC availability	>= 99.5% uptime
County-sourced road and address updates	>= 120 updates w/ 50 from class I & II
Utah reference network GPS service availability	>= 99.5% uptime
Enterprise Technology – ISF (#95)	
Customer satisfaction for information technology services	>= 4.5 out 5 rating
Agency application availability	>= 99%
DTS rates competitive with private market	100%

SUMMARY OF FEES

The Legislature is required to review and approve "each internal service fund's (ISF) rates, fees, and other amounts that it charges those who use its services and include those rates, fees, and amounts in an appropriation act" (UCA 63J-4-410(3)(a)(ii)). The table below shows the department's proposed FY 2022 rates as presented in S.B. 8, 2021 General Session, lines 3025-3105 (newly proposed rates are highlighted) along with FY 2021 approved rates as authorized in H.B. 8, 2020 General Session, lines 2400-2482 and FY 2021 actual rates. The FY 2021 approved rates were calculated to allow the department to provide an average 2.5 percent compensation increase for its ISF employees which did not occur due to economic and budget conditions. The proposed FY 2022 rates are calculated to include a 4.9 percent health benefits increase, but they do not include a compensation adjustment. The department will use retained earnings in FY 2022 to provide compensation increases at whatever level the Legislature directs. The total impact of the proposed FY 2022 rates as appropriated in S.B. 8 is a net $1.4 million decrease including a decrease of $171,500 from the General and Education funds.

Department of Technology Services' FY 2022 Proposed Rates Summary

	FY 2021 Approved	FY 2021 Actual	FY 2022 in S.B. 8	Change from FY 2021 Approved	Change from FY 2021 Actual	Unit
IT Tier Rate						
Tier 1A	64.29	62.99	61.89	-2.40	-1.10	Hour
Tier 1B	75.41	73.88	72.02	-3.39	-1.86	Hour
Tier 2A	79.49	77.84	77.64	-1.85	-0.20	Hour
Tier 2B	91.28	89.36	87.44	-3.84	-1.92	Hour
Tier 3A	93.70	91.88	92.16	-1.54	0.28	Hour
Tier 3B	102.85	100.66	99.77	-3.08	-0.89	Hour
Tier 4A	106.38	104.13	102.82	-3.56	-1.31	Hour
Tier 4B	115.12	112.64	113.63	-1.49	0.99	Hour
Master Engineer / Consultant / Specialized Skillset	Special Billing Agreement (SBA)	SBA	SBA			
Communication Services						
Mobile Technician Labor	79.87	78.51	69.09	-10.78	-9.42	Hour
VoIP	33.21	32.93	30.05	-3.16	-2.88	Line/Month
Legacy Phone System			SBA			
Long Distance	0.0603	.0601	0.0602	-0.0001	0.0001	Minute
1-800 Usage	0.0369	.0367	0.0286	-0.0083	-0.0081	Minute
Persistent Chat	5.27	5.15	5.96	0.69	0.81	User/Month
Other Voice Services	Cost + 10%	Cost + 10%	Cost + 10%			
International Long Distance	Cost + 10%	Cost + 10%	Cost + 10%			
IP Contact Center	20.70	20.44	20.50	-0.20	0.06	Core License/Month
Call Management Systems	SBA	SBA	SBA			

	FY 2021 Approved	FY 2021 Actual	FY 2022 in S.B. 8	Change from FY 2021 Approved	Change from FY 2021 Actual	Unit
Desktop Services						
Desktop Support	69.52	68.18	66.54	-2.98	-1.64	Device/Month
Adobe Pro/Sign	1.50	1.50	1.50	0.00	0.00	Device/Month
Mobile Support	SBA	SBA	SBA			
On-Call Support	Actual Cost	Actual Cost	Actual Cost			
Google Enterprise	10.65	10.62	9.46	-1.19	-1.16	Acct/Month
Software Resale	Cost + 6%	Cost + 6%	Cost + 6%			
DaaS			Cost + 10%			Device/Month
Hosting Services						
Oracle Database Hosting Core Model	1041.19	1023.63	787.57	-253.62	-236.06	Core/Month
Oracle Database Hosting Shared Model	15.74	15.49	10.76	-4.98	-4.73	GB/Month
SQL Database Hosting Core Model	554.56	544.44	546.43	-8.13	1.99	Core/Month
SQL Database Hosting Shared Model	10.99	10.79	10.84	-0.15	0.05	GB/Month
Processing (CPU)	33.27	33.01	38.58	5.31	5.57	CPU/Month
Memory	4.99	4.95	5.78	0.79	0.83	GB/Month
Storage	0.0704	0.0693	0.0696	-0.0008	0.0003	GB/Month
Back-up and Archive Storage	0.0962	0.0953	0.1102	0.0140	0.0149	GB/Month
File-Share	0.0704	0.0693	0.0696	-0.0008	0.0003	GB/Month
Object Storage	0.0168	0.0168	0.0168	0.0000	0.0000	GB/Month
Shared Application Hosting on Premises	51.92	51.92	59.10	7.18	7.18	Instance/Month
Cloud Hosting	Cost + 25%	Cost + 25%	Cost + 25%			
Other Hosting Services	SBA	SBA	SBA			
Data Center Rack Space - Full Rack	500.00	500.00	500.00	0.00	0.00	Rack/Month
Data Center Rack Space - Rack U	16.67	16.67	16.67	0.00	0.00	Rack U/Month
Network Services						
Network Services	52.93	52.48	55.51	2.58	3.03	Device/Month
Network IoT	9.82	9.82	9.82	0.00	0.00	Connection/Month
Network Services - 10 GB	211.72	209.92	222.04	10.32	12.12	Connection/Month
Network Services (Other State Agencies)	57.66	57.21	61.45	3.79	4.24	Device/Month
Other Network Services	Cost + 10%	Cost + 10%	Cost + 10%			
Miscellaneous Data Circuits	Cost + 10%	Cost + 10%	Cost + 10%			
Security	24.65	24.34	28.99	4.34	4.65	Device/Month
Other Security Services	SBA	SBA	SBA			
Security Assessment and Remediation	See Table	See Table	See Table			See Table
Print Services						
High Speed Laser Print	0.0465	0.0461	0.0322	-0.0143	-0.0139	Image
Other Print Services	Cost + 10%	Cost + 10%	Cost + 10%			
Miscellaneous						
DTS Consulting Charge	93.70	91.88	See Table			Hour
Saas/Cloud Hourly	96.78	96.78	96.78	0.00	0.00	Hour
Consultant Services	Cost + 3%	Cost + 3%	Cost + 3%			
AGRC Services						
GPS Subscriptions	600.00	600.00	600.00	0.00	0.00	Subscription/Year
AGRC Plots	6.00	6.00	6.00	0.00	0.00	Linear Foot
GIT Professional Labor	See IT Tier Rate Table	See IT Tier Rate Table	See IT Tier Rate Table			Hour

LFA OPTIONS

Reallocate funding. The Legislature passed S.B. 65, 2017 General Session, "Postal Facilities and Government Services" with a sunset date of July 1, 2023, and it appropriated $74,700 ongoing and $72,100 one-time from the General Fund in FY 2018 to implement provisions of the bill. The bill allowed certain state agencies to enter agreements with the United States Postal Service (USPS) to provide state services at post office locations. Without an act of Congress USPS cannot enter such agreements with state agencies. The Legislature eliminated the ongoing amount in the 2020 Fifth Special Session. The Legislature could reallocate the original one-time appropriation that has been carried forward.